ARBITRATION AND THE STRIKE

Percy Laidler

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Later editions used the title “Arbitration”.

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For more information about Percy Laidler visit www.solidarityforeverbook.com. Direct any enquiries to Alan Walker, mail@solidarityforeverbook.com.

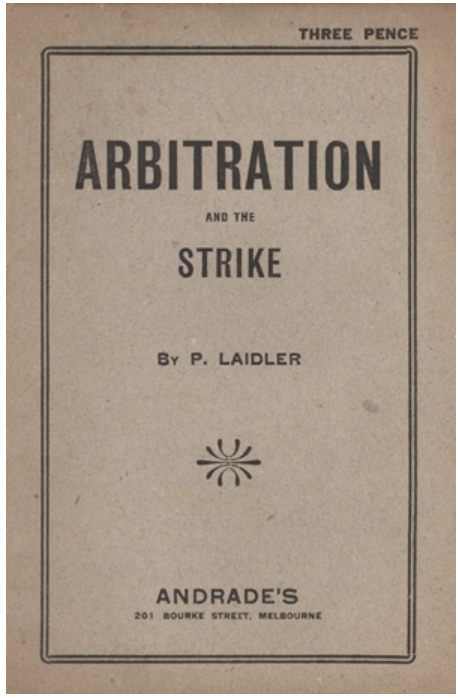
About the Author

Percy Laidler (1884 - 1958) was a left wing bookseller, activist and orator in Australia during the first half of the 20th century. On the website **www.solidarityforeverbook.com** there is a wealth of information about his life, including the full text of the book *Solidarity Forever! ...a part story of the life and times of Percy Laidler — the first quarter of a century...*

Foreword, 2016

Percy Laidler's "Arbitration and the Strike"—in later editions simply "Arbitration"—was the first extended examination of the Australian industrial arbitration system from a revolutionary perspective. First published in 1919, it was reprinted several times and sold over 25,000 copies.

The pamphlet was immediately acclaimed by left wing groups. "At last a pamphlet appears that is worthwhile reading on this question," wrote Moses Baritz in a lengthy review published in 1919 in *International Socialist*, the organ of the Australian Socialist Party.[1] As late as 1945, E W Campbell of the Communist Party quoted from it in his *History of the Australian Labor Movement : A Marxist Interpretation*, calling it a "brilliant little pamphlet".[2]



Cover of an early edition of "Arbitration and the Strike", published by Andrade's Bookshop

When Percy Laidler wrote the pamphlet in 1918, after a dozen years' experience of the Federal arbitration system,

1 *International Socialist*, 6 December 1919, available online via National Library of Australia at http://trove.nla.gov.au/newspaper/article/120106867.

2 Chapter 3, available online via Marxists Internet Archive at http://marxists.anu.edu.au/history/australia/comintern/sections/australia/1945/history-labor/ch03.htm

opinions were divided in the union movement as to whether arbitration provided a peaceful alternative to the strike.

Laidler's approach was to examine in detail the reasoning of Justice Higgins, the President of the Commonwealth Court of Conciliation and Arbitration, in several of the cases he had decided, with the aim of demonstrating that the court's function was not to dispense justice, but to prevent and settle industrial disputes. As a result, the ability and willingness of a union to strike was the ultimate determinant of the results it could hope to achieve from arbitration. Laidler's argument does not necessarily lead to the conclusion that the union movement should shun the arbitration system on all occasions: his point is that the working class cannot *rely* on arbitration alone.

The pamphlet also analyses the rationale behind the "living wage", or basic wage. Laidler again quotes extensively from Justice Higgins, to show that the living wage was intended to be the minimum amount "physiologically" necessary to sustain a working class family. After explaining how Justice Higgins arrived at the figure of 7 shillings a day as a living wage, Laidler comments:

> And this magnanimous amount was secured after Working Class women had been cross-examined as to the cost of the boots they bought, and various articles of underclothing, as well as the several items which go to make up the normal needs of the average family. Could anything be more degrading?

Laidler's reaction was eerily echoed by a twenty-first century union leader, speaking about a hearing 109 years after the Harvester Case, as to whether weekend penalty rates should be cut for cafe and retail workers and others[3]:

> The national secretary for United Voice, Jo-anne Schofield, says she was humbled to watch the

3 *Sunday Age*, 17 July 2016

> country's lowest-paid workers give personal accounts to the commission of what a cut in penalty rates would mean … "It has been for me galling to see hard-working people come to the commission to open up their household budgets and financial situation to be cross-examined on that, to be accountable for what it means to have a cut in pay."

Subsequent history has also confirmed Percy Laidler's belief that employers “generally favor some or any form of Arbitration only when the Working Class is strong”. In the 1960s and early 1970s when union power was at a high point, employers and governments called upon workers to take their claims to arbitration and accept “the umpire's decision”. In more recent years, as union membership and strength have declined, the employers have pushed for dismantling arbitration and allowing market forces to determine wage rates.

Percy Laidler focuses on his central message, that regardless of arbitration courts, workers had to rely on their unions' organisation and capacity to strike, if they were to win the best possible wages and conditions from their employers. But as a revolutionary he looked forward to the working class moving beyond this day-to-day struggle, and he concludes his pamphlet with an IWW-inspired call for the unions to become "engines of emancipation". He finishes by quoting two verses of his favourite song, Ralph Chaplin's "Solidarity Forever".

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This digital version of “Arbitration and the Strike” is based on an undated edition published by Andrade's Bookshop: possibly the first, 1919, edition. A scanned version of a 1924 edition published by the Ruskin Press is available for viewing on the State Library of Victoria website[4]. These two editions differ only in minor ways. One correction made in the 1924 edition has been included in this version. The famous definition by Justice

4 http://handle.slv.vic.gov.au/10381/124302

Higgins, in the Harvester Case, of a fair and reasonable wage related it to the "average employee", not the "average man" (see the section "How Justice Higgins Proceeds".)

Alan Laidler Walker

August 2016

INTRODUCTION

The ranks of the working class are divided upon the question of Arbitration. There is one section which states that the ever-recurring disputes between the workers and the employers should be settled by Arbitration. There is another section which advocates the waging of the every-day conflicts by the strike or some similar action.

Between these two sections there is a continuous conflict, and it is the aim of this pamphlet to do whatever it can towards the removal of that conflict, to clarify the position if possible, and thus secure as much unanimity in methods as is possible in a large and powerful movement such as the Labour movement is.

ARBITRATION

AND THE

STRIKE

THE CASE FOR ARBITRATION.

The advocates of Arbitration claim that the strike is a barbaric method of settling disputes between the two classes in society, and should be relegated to the limbo of the past, as was the duel as a method of settling disputes between individuals. That just as the domain of law already covers conflicts between individuals. so it should now be extended to cover and control conflicts between classes; that reason should supplant force; that the strike is a costly method of settling disputes when we consider the amount of wages lost to the members of a union who are on strike; and that, last, but not least, the strike frequently, nay, almost always, entails a tremendous amount of suffering, not only upon the strikers, but upon the women and children, and even upon many others not directly concerned in the dispute.

During and immediately after every big strike thousands go short of the necessaries of life. Doubtless many go to early graves in consequence of the extra hardships thrown upon them, not through any fault of their own, but owing to the dislocation of industry and the unemployment caused by the effects of industrial war. Collection boxes rattle through our streets, and on the Yarra Bank, Sydney Domain, and similar places throughout Australia, but the results are frequently only as a drop in the ocean. The suffering undergone by people of the working class at

such times is a tragedy, and one that should surely move the hardest among us to endeavour to find a way out.

If an effective substitute for the strike can be found, a substitute which in its operations entails no loss of wages to the worker, and no suffering upon either him or his dependants, or upon those not directly concerned; if such a substitute is here to our hand, in the form of Arbitration, surely no one will be found so foolish as to refuse to embrace it, and so aid mankind in one more step forward, in one more triumph of reason over brute force.

WHAT IS MEANT BY ARBITRATION.

In one form or another, Arbitration has been advocated for a long time, but in this country, in recent years, the advocate of it is generally taken to mean the Arbitration Court, where a Judge sits and hears the evidence of both sides, employees and employers, for and against any proposed alteration in wages or working conditions, and after hearing such evidence delivers an award stating what the wages and conditions shall be.

THE ARBITRATION COURT.

It will not be the case that all Arbitration Court Judges look at the questions brought before them from the same point of view. This pamphlet will analyse the working of the Federal Arbitration Court, presided over by Justice Higgins, and will concern itself almost entirely with Justice Higgins' awards. He is a Judge from whom it is generally believed the working class is most likely to get whatever is possible in the way of fair and just awards, a Judge who is commonly considered to be radically inclined, sympathetic to working people, and, in short, almost the ideal man to adjudicate on the question of wages and conditions of labor.

HOW JUSTICE HIGGINS PROCEEDS.

We are all familiar with the fact that, in almost every case before the Court, much importance is attached to the determination of the living wage, or basic wage, as it is sometimes called. In fact, when the preliminaries incidental to every case have been dispensed with, the Court generally spends considerable time in hearing arguments for and against an alteration in wages on the grounds of a change in the cost of living.

Justice Higgins has defined a fair and reasonable wage as one which will supply the "**normal needs of the average employee, regarded as a human being living in a civilised community.**" He has, further, declared that "this, the basic wage, must secure to the employee enough wherewith to renew his strength and to maintain his home from day to day."

To a further analysis of the basic or living wage we will return later. Sufficient for the time to say that one of the main steps in the processes of the Court is the determination of the Living Wage. To this, the basic wage, the Judge adds a further amount for the wage of the specially skilled man.

THE COURT'S FUNCTION.

But he sometimes awards for the unskilled man more than the basic wage. Why? For the answer to this question we have to search the awards and utterances of Justice Higgins. Let him speak for himself.

First, let us realise that the Arbitration Court was not instituted for the purpose of the determination of a Living Wage. During the hearing of evidence in a case of the Gas Workers, the Judge said "**the ascertainment of the ideal minimum**, which is the direct object of the Wages Board, **is only a step in the**

processes of the Court." In other words, the determination of a Living Wage is only a means to an end.

In the Marine Cooks', etc., award, 1908, Justice Higgins was definite. "My function," he said, "is to settle the disputes, and, as incidental to this function, I have power to fix the minimum rate of wages to be paid to the employees of the different classes." Here we have the function of the Arbitration Court in a nutshell. For in this sentence the Judge clearly indicates that the fixing of the wages to be paid is only incidental, and that the **real** function his Court has to perform, its **real** object, is the settlement of industrial disputes. As a matter of fact, the title given by the Government to the Arbitration Act, when it was introduced and passed in Parliament, was "The Commonwealth Conciliation and Arbitration Act," "An Act relating to Conciliation and Arbitration for the Prevention and Settlement of Industrial Disputes extending beyond the limits of any one State." In one award the Judge said the whole object of the Act was to prevent industrial war by empowering the Court to settle interstate disputes. In the Shearers' award, 1911, he said: "The Court is not primarily a Court to settle regulations for an industry, but a Court to settle disputes." In the Seamen's case, 1911, he said: "**Peace in industries is the objective of this Court,**" etc. In the Gas Workers case, 1913, at one juncture Justice Higgins refused to continue taking evidence unless he was assured by the Union Secretary that the men would accept his award, no matter what it was. As the whole object of the Act was Industrial Peace, it followed that, if this award was not going to secure that, there was no purpose served by going on with the case. On numerous occasions the Judge has refused to hear a case while a union was on strike.

The whole object of the Court being Industrial Peace, the Judge makes as sure as he possibly can that this object is to be achieved, otherwise there is no case, no matter how bad the conditions of the men may be.

INDUSTRIAL PEACE.

And, in this, the Court's primary function, the prevention and settlement of industrial disputes, the securing of Industrial Peace, we get something that explains the Court's awards; we get the reason why sometimes the Judge awards more than the basic or living wage to the unskilled man, and proportionately more to the skilled. In the Gas Workers' case before quoted, Justice Higgins pointed out that the object of Wages Boards was not primarily peace, but primarily to prevent sweating. He went on: "**My object is to secure peace in the industry**, to secure that the industry shall be carried on." He then went on to ask Mr. Hunt (who represented the employers) did he think, if he granted 8/- to Melbourne, whilst Sydney men were getting 9/-, it would conduce to the **peace of the industry** as much as if he awarded something more.

In one Waterside Workers' case, Justice Higgins said: "I am very much against prescribing different rates for certain work, because it is said to be unhealthy. **All I want is to have the men working peacefully.**" Again, this illuminating passage occurred. Mr. McDonald (employers) said: "They were getting not so very long ago, 1/6 an hour for overtime; now they want 2/7½; surely there must be a limit for the amount which should be paid for night work." His Honor said: "**The supreme thing is to get the work done; that transcends everything**." . . . . Mr. McDonald said: "I don't agree with that, right transcends everything." His Honor said: "I didn't ask you to admit it." So we may surely safely conclude that the object in a case is to find out what wages and conditions will best secure the peaceful working of the industry.

ANOTHER CONSIDERATION.

But here there enters another consideration. If, in any case before the Court, the object of the Judge was merely to determine what award would best secure the peaceful working of the industry in question, the dispute would perhaps be easily settled. But the Act is described as an Act for the **Prevention** and Settlement of Industrial Disputes.

In the Marine Cooks' case (1908) before quoted Justice Higgins said: "I must settle the dispute on terms which seem to me just, on terms which I deem to be fair and reasonable between the parties, ... and I cannot conceive any terms to be fair and reasonable which do not, at the very least, allow a man to live from his labor, to live as a human being in a civilised community. But I have to look all round the subject, and see that I do not create more disputes than I settle. There are not wanting indications, for instance, that the superior advantages given to the Seamen's Union by the respondents in their agreement made with it have provoked comparisons and stimulated discontent on the part of the galleymen, and have contributed to the organisation of the claimant Union. None know so well the degree of skill and of exertion required of an employee as the other employees who see him at his work from day to day; and if I were to make an award unduly liberal in this case, if I were to be benevolent with other people's money, other men who are not affected by the award might become discontented. The Act requires me to 'prevent' as well as to settle industrial disputes, and I have to see to it that I do not create other disputes in settling this—that I do not loosen a dozen nails by driving in one."

Could we have the case more plainly stated? The Judge must be as careful as possible in giving one section an award, that the

award is not of such a character as to excite discontent and cause unrest among other sections.

In the first Seamen's case, Judge Higgins said: "He must consider, if he raised the wages of one class, whether it would make other classes discontented."

IN A NUTSHELL.

And so we have it. The Arbitration Court gives to the workers whatever will best secure Industrial Peace. If to gain this desired end, it be necessary to give a body of workers a rise of 2/-, then this will be done. But if a rise of 1/- only is necessary, then they will get l/- only, because to give more than is necessary for that purpose will be to create unnecessary discontent in other sections of the working class, and as discontent leads to unrest, it would be "to loosen a dozen nails by driving in one"—in short, "to create a dozen disputes in settling one." So, as the Court's awards are according to what is necessary to secure Industrial Peace, it follows that the award possible for any union to secure depends upon its ability to cause Industrial War—in other words, upon its ability to strike.

THE COURT'S OBJECT NOT JUSTICE.

But what about Justice? Is the Court not a Court of Justice? Strong as the statement may appear, it is, nevertheless, a fact, that the object of the Court is not Justice.

When the Gas Workers asked for accident compensation, Justice Higgins said: "I have refused a similar claim in other cases. If I were to award accident pay, all the unions would be coming to me for it." We see that, **no matter how just the claim** might be, it would be refused where possible, because to grant it

would be to excite discontent in others and cause them to want a similar concession.

Then we have his words in the Waterside Workers' case: "To get the work done transcends everything." And in the Seamen's case he tells us: "Peace in industries is the object of this Court." Justice is beside the point.

If any further evidence is required to convince us that the Court's object is not Justice, we can get it from the Judge's own lips in the Merchant Service Guild award (1910), when he uttered these words: "I have to keep in mind the fact that I am considering the case of officers, not laborers, and inasmuch as **the ideal of this Court is Industrial Peace, not any theoretical Justice as between classes**, I must allow weight to existing conventions and prejudices." etc. Could anything be more plainly stated? Does not the Judge in that statement himself admit that no such thing as Justice is the determining factor in deciding what an award shall be?

Justice Higgins will surely be the last man to say that the object of the Court is to dispense "Justice." On the contrary, does he not say it exists for no such purpose?

THE NAKED FACT?

What, then, is this Industrial Peace, the Court's object? It is the antithesis of Industrial War. Industrial War exists when workers are on strike or locked out. Industrial Peace exists when the Working Class is not on strike or locked out—in short, when the Working Class is at work.

Therefore, as the Court's purpose is Industrial Peace, it follows that the object of the Court is to keep the Working Class at work.

THE LIVING WAGE AGAIN.

But, it will be said, what of the Living Wage? What is it? In the McKay Harvester case (Excise Court, 1907) Justice Higgins laid down the basis of the Living Wage, and since then he has accepted the basis then laid down. As evidence of that, hear the Judge. In 1917, in the Glass Founders' case, he said: "An inquiry into the subject of the cost of living at the present time is eminently desirable, now that the finding of 1907 has stood for ten years."

Concerning that 1907 finding, Justice Higgins said, in the Meat Industry case (1913-14): "The basic wage in 1907 was the result of the selected and sifted evidence of thrifty and careful housekeeping women whose husbands were wage-earners. When these witnesses came without notes or preparation, they showed how every shilling, almost every penny, was earmarked for some necessary commodity. There was no margin for luxury or amusements. Indeed, for any exceptional expenditure, the family had to suffer in necessaries." (Later) "Even as to the Living Wage, it is always open to the employers to prove, if they can, that there is a complete regimen which is physiologically as good as the kind contemplated in the calculation of the Living Wage, and which is, at the same time, cheaper." (Again) "If the necessary commodities can be secured with less money, a lower minimum wage may safely be prescribed."

Is anything more than these quotations needed to show that in determining a Living Wage the working man is regarded simply as a necessary factor in production, such as, say, **a machine or engine requiring a certain amount of oil or fuel to keep it going**? Is he not viewed in somewhat the same light as a draught horse requiring a certain amount of food and shelter to keep it in working condition? In fact, in the above-mentioned Excise Act judgment, after stating that he could accept no other

meaning of a fair and reasonable wage than that of the normal needs of the average man regarded as a human being living in a civilised community, Mr. Justice Higgins uttered the following words:—"If A lets B have the use of his horses, on the terms that he give them fair and reasonable treatment, I have no doubt that it is B's duty to give them proper food and water and such shelter and rest as they need; and, as wages are the means of obtaining commodities, surely the State, in stipulating for fair and reasonable remuneration for the employees, means that the wages shall be sufficient to provide these things, and clothing, and a condition of frugal comfort, estimated by current human standards."

Could anything be said more eloquently descriptive of the position of the working man under the Arbitration Court's jurisdiction, and, incidentally, of his position in Society? Only in one word could it be improved upon, and that would be by using, instead of the word "horse," the word "donkey."

If any further evidence is required to show how degraded a position a working man occupies, with a high-salaried Judge reckoning up the number of loaves of bread and pounds of meat, etc., required to keep him, not in decency, but in working condition, it can, perhaps, be gathered from the following words of Justice Higgins, uttered in finding that 1907 Basic or Living Wage:—

"The usual rent paid by a laborer, as distinguished from an artisan, appears to be 7/-; and, taking the rent at 7/-, the necessary average weekly expenditure of a laborer's home of about five persons would seem to be about £1/12/5. The lists of expenditure submitted to me vary not only in amounts, but in bases of computation. But I have confined the figures to rent, groceries, bread, meat, milk, fuel, vegetables, and fruit, and the average of the list of nine housekeeping women is £1/12/5. This expenditure

does not cover light (some of the lists omitted light), clothes, boots, furniture, utensils (being casual, not weekly, expenditure), rates, life insurance, savings, accident or benefit societies, loss of employment, union pay, books and newspapers, tram and train fares, sewing machine, mangle, school requisites, amusements and holidays, intoxicating liquors, tobacco, sickness and death, domestic help, or any expenditure for unusual contingencies, religion, or charity." And for all these expenditures the Judge allowed 9/7 per week. This amount of 9/7, added to the aforementioned £1/12/5, made up the £2/2/- per week, or 7/- a day, which was declared by Justice Higgins in 1907 to be a fair and reasonable wage. In declaring the 7/-, the Judge said he hesitated between 7/- and 7/6. However, the 7/- won.

Such is the historical Arbitration Court finding of a Living Wage, which has served for a decade as a basis. And this magnanimous amount was secured after Working Class women had been cross-examined as to the cost of the boots they bought, and various articles of underclothing, as well as the several items which go to make up the normal needs of the average family. Could anything be more degrading? The working man, who produces the necessities of life for the Working Class, as well as the various articles of necessity, comfort, and luxury with which the Judge and members of the Capitalist Class regale themselves, has to send his wife into this Court to prove that the boots, clothing, etc., which he and his family wear could not be bought cheaper, and that they could not do with less of them. And this is hailed as a triumph of civilisation.

It is surely enough to make us blush with shame and mad with indignation. And it is surely a reflection on the mind of the arbitrationist that he is ready to proclaim, as a triumph of civilisation, that we get what a horse or donkey gets—enough to live upon. Even there we are wrong, for when horse feed goes up in price the horse generally is given the same quantity of food as

before. Not so the worker. He must wait a few months, until he secures against the resistance of the employers an increased wage from the Court that will permit him to buy the same quantity of food, etc., as before.

And only the **normal needs** of the **average** employee are provided for. No provision is made for anything but what custom has made **necessary**, no provision for **abnormal** needs or normal **desires**, and the **average** man alone is provided for. What a man is to do who has abnormal sickness in his family, abnormal unemployment, or a family or obligations larger than the average, is left to the imagination. The whole business is almost too sickening, too degrading, for any decent working man to discuss.

NOT EVEN THE LIVING WAGE IS GUARANTEED.

But, bad and all as the Living Wage is, the fact must be stated that not even this is guaranteed as a right. For, as the Judge said, "The fixing of a minimum wage is only a step in the processes of the Court" (Gas Workers), "only an incidental" (Marine Cooks). In the Federated Engine Drivers' case (1911), after referring to an employer's argument that supply and demand should be relied upon in fixing wages, Justice Higgins said: "My duty is to grant a minimum wage where it would conduce to peace." In the Boot Factories' case he said: "One cannot conceive of Industrial Peace unless the employee has secured to him wages sufficient for the essentials of human existence."

So even the degrading Living Wage is given to us because there would be little or no hope of Industrial Peace if we did not get it. Thus the last leg of the arbitrationist is knocked from under him. Not only is the extent of our awards, when they are above a mere Living Wage, determined by our capacity to strike

effectively, but even the much-talked-of Living Wage itself is only granted because without it there would be strikes.

There are one or two other things to be said before summing up the case against the Arbitration Court.

First, Justice Higgins accepted the standard of living obtaining in 1907 as the basis of his Living Wage awards. There was no other standard open to him as a peacemaker. (It is, I suppose, impossible to imagine him taking his own household's weekly expenditure as a basis.) In one Builders' Laborers' case he said it was his duty to accept recognised standards, not to create them. He repeated this in the Broken Hill Miners and Engine Drivers' case, 1915-16. In the Merchant Service Guild award he declared that, as the Court's object was Peace, he must allow weight to existing conventions and prejudices. In one Waterside Workers' case he said he did not think he should alter fundamentally the practice to which all parties had become accustomed.

"Peace in industries is the objective of this Court." Consequently, as peacemaker, it is not for him, save in extreme cases, to interfere with existing standards, and those standards of living, etc., operating in 1907, which were made the bases of awards of his Court, **were the standards established by strikes prior to 1907**.

Again, it must be noted that the first evidence taken in the Court is as to whether, if the case is not heard, a strike is likely to take place. If the employees prove that one is likely to take place, then the case is heard. (I have no doubt that the Judge frequently acts leniently to the employees on this point. He desires, above all, the success of the Arbitration Court as a whole, and, therefore, wants the way to the Court as open as possible.)

It should also be pointed out that, if the wheels of industry cannot be kept going except by reducing wages, Justice Higgins,

as peacemaker, is bound to reduce them. His Honor indicated as much during the hearing of evidence in the Gas Workers' case before quoted.

SUMMING UP.

We set out to discuss what is, in this country, commonly called Arbitration, in reality the Arbitration Court. We have taken as a type Justice Higgins' Court. His is the most popular Court. Some other Judges, like Judge Heydon, of New South Wales, do not seem to recognise there is ever anything wrong with Working Class conditions, no matter how bad these may be. Consequently, in taking Justice Higgins' Court, we have taken the best Court for the case of the arbitrationist. Like all other forms of Arbitration, it was only instituted when strikes were becoming very inconvenient to the Capitalist Class as a whole. Employers generally favor some or any form of Arbitration only when the Working Class is strong, and then wish it to operate only in connection with those sections of the Working Class that are strong. The employers fight the weak sections on every possible point to hinder them from getting an award, whilst they beg strong sections, like the Waterside Workers and Seamen, to come to the Court. This is in accord with the general attitude of employers to Working Class Unionism. When Unions were weak, and wherever they are still too weak to strike, employers ignore them as far as possible, ignore their claims, and frequently even refuse to answer any correspondence from them. But owing to the development of collective industry, Working Class organisation and action has become, to say the least, extremely inconvenient to the employers, and a great menace to the existing social system known as Capitalism! Therefore, Boards and Arbitration Courts have been devised by Governments to prevent, if possible, the further development and use of this Working Class strength.

The writer of this pamphlet claims to have proved the following:—

(1) The Arbitration Court will not hear a case unless there is a dispute—**a likelihood of a strike**. (This difficulty could be removed by the Government, but it would not alter the following facts.)

(2) It determines a Living Wage for the unskilled employees in the industry, because if it did not there would be a great **likelihood of a strike**.

(3) It gives a higher amount to specially skilled men, because if it did not there would be great **likelihood of a strike**.

(4) The Living Wage for unskilled men, and the increased amount for specially skilled men, are determined upon the bases **established by strikes** of the past.

(5) If it gives more than the basic wage to unskilled men, it does so to the extent that is made necessary by the **likelihood of a strike**.

(6) When it does give more than the basic wage, it gives no more than is made necessary by the **likelihood of a strike**, for, if it did give more than is necessary, other workers might become envious and strike.

Yet arbitrationists have the effrontery to tell us that the Arbitration Court is a substitute for the strike.

Arbitration is not a substitute for strikes. How can it be so, when the more willing the workers are to arbitrate the worse is their treatment by the Judge?

In pursuit of Industrial Peace, the Judge, to purchase that condition, will give much more to striking workers than to

arbitrationists. Consequently, the strike policy means pounds, shillings and pence to the working class.

To accept the Court, and give up the use of the strike, is to render Unionism not only impotent in the struggle for improved conditions, but also powerless to hinder even the lowering of the standard of the workers. The Unions without the strike would be as helpless as an army without weapons and ammunition.

The Court, with its Living Wage investigations and findings, is degrading, and only a hopelessly degraded and enslaved class would tolerate it for any length of time.

As Arbitration is not a substitute for the strike, then the arguments as to loss of wages and suffering caused by a strike are untenable as applied by the arbitrationist. For the loss of wages entailed by a strike is simply a small loss, the bearing of which is necessary to prevent a much greater loss. And the suffering entailed by a strike is simply as the suffering one undergoes when having a tooth extracted, a small suffering to prevent a much greater suffering. One sees this plainer if one reflects upon the abject poverty and suffering undergone by the Working Class under Capitalism before the advent of Unionism, and suffered even to-day where there are no Unions and labour is plentiful. If any tears are being shed because of the loss of wages and suffering accompanying strikes, let the weeper turn his attention to normal unemployment. The loss of wages, etc., by this cause is at least three times, or thereabouts, the loss resulting from strikes. A study of Mr. Knibbs', the Government Statistician's, figures proves that fact.

The great evil resulting from the era of Arbitration in the last twelve years or so has been that the working man has been deluded into regarding the Court as a substitute for strikes. Thus, he has been encouraged to rely upon what this pamphlet proves is a broken reed. And inasmuch as he does this he fails to rely

upon what is reliable, his Union's capacity to strike. Far better had he placed his reliance upon his Union's capacity to fight, and perfected the organisation of his class, reorganising these into an effective fighting army with which to engage in the every-day conflict engendered by the existence in the community of two classes with interests diametrically opposed, and fitting them to become the engines of emancipation anticipated by the words of the song, "Solidarity for Ever."

They have taken untold millions that they never toiled to earn,
But without our brain and muscle not a single wheel can turn.
We can break their haughty power, gain our freedom when we learn
That the Union makes us strong.

In our hands is placed a power greater than their hoarded gold,
Greater than the might of armies magnified a thousandfold
We can bring to birth the new world from the ashes of the old,
When the Union makes us strong.